

OFFICIAL COPY
DIVISION OF
CLASS "C"
WATER AND SEWER
WATER AND/OR WASTEWATER UTILITIES

(Gross Revenue of Less Than \$200,000 Each)

ANNUAL REPORT

WS446-02-AR
Paradise Lakes Utility, L.L.C.
P. O. Box 750
Land O'Lakes, FL 34639-0750

Submitted To The
STATE OF FLORIDA

PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 2002

Form PSC/WAW 6 (Rev. 12/99)

03 SEP -2 AM 10: 29
DIVISION OF
ECONOMIC REGULATION
PUBLIC SERVICE
COMMISSION

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water or wastewater plant in process of construction, but not yet ready for services. (USOA)

DEPRECIATION - The loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (i), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515 (8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to the cost of the operation, maintenance, depreciation, and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

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FINANCIAL SECTION

REPORT OF

PARADISE LAKES UTILITY, L.L.C.

(EXACT NAME OF UTILITY)

P O BOX 750	LAND O'LAKES FL 34639	2001 BRINSON RD. LUTZ, FL 33558	PASCO
Mailing Address		Street Address	County

Telephone Number (813) 949-9324 Date Utility First Organized MAY 1985

Fax Number (813) 948-3058 E-mail Address JJTLL@AOL.COM

Sunshine State One-Call of Florida, Inc. Member No. _____

Check the business entity of the utility as filed with the Internal Revenue Service:

Individual Sub Chapter S Corporation 1120 Corporation Partnership

Name, Address and phone where records are located: **PARADISE LAKES UTILITY, L.L.C.**
P O BOX 750, LAND O'LAKES, FL 34639 **(813) 949-9324**

Name of subdivisions where services are provided: **PARADISE LAKES**

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: JOSEPH LETTLLEIR	MANAGING PARTNER	P O BOX 750 LAND O'LAKES, FL 34639	0
Person who prepared this report: RICK CARROLL	CONTROLLER	P O BOX 750 LAND O'LAKES, FL 34639	0
Officers and Managers: STEPHANIE GIBSON	ASST. CONTROLLER	P O BOX 750 LAND O'LAKES, FL 34639	0
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
PARADISE LAKES, INC	98%	P O BOX 750 LAND O'LAKES, FL 34639	0
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 73,642	\$ 123,983	\$ _____	\$ 197,625
Commercial _____		_____	_____	_____	_____
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
Total Gross Revenue _____		\$ 73,642	\$ 123,983	\$ _____	\$ 197,625
Operation Expense (Must tie to pages W-3 and S-3)	W-3 S-3	\$ 55,739	85,513	\$ _____	\$ 141,252
Depreciation Expense _____	F-5	9,541	31,766	_____	41,307
CIAC Amortization Expense _____	F-8	(660)	(824)	_____	(1,484)
Taxes Other Than Income _____	F-7	3,620	5,579	_____	9,199
Income Taxes _____	F-7	0	_____	_____	_____
Total Operating Expense		\$ 68,240	\$ 122,034	\$ _____	\$ 190,274
Net Operating Income (Loss)		\$ 5,402	\$ 1,948	\$ _____	\$ 7,351
Other Income:					
Nonutility Income _____		\$ 0	\$ 0	\$ _____	\$ 0
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ 0	\$ 0	\$ 67,369	\$ 67,369
Interest Expense _____		_____	_____	_____	_____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ 5,402	\$ 1,948	\$ (67,369)	\$ (60,018)

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ <u>938,595</u>	\$ <u>938,595</u>
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-2	<u>534,618</u>	<u>493,311</u>
Net Utility Plant -----		\$ <u>403,977</u>	\$ <u>445,284</u>
Cash -----		<u>-358</u>	<u>-2,495</u>
Customer Accounts Receivable (141) -----			
Other Assets (Specify): -----		<u>24,469</u>	<u>17,689</u>
NON-UTILITY PROPERTY NET DEPRCIATION -----		<u>13,933</u>	<u>14,226</u>
Total Assets -----		\$ <u>442,021</u>	\$ <u>474,704</u>
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6		
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----			
Retained Earnings (215) -----	F-6		
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6	<u>358,610</u>	<u>418,628</u>
Total Capital -----		\$ <u>358,610</u>	\$ <u>418,628</u>
Long Term Debt (224) -----	F-6	\$	\$
Accounts Payable (231) -----		<u>10,897</u>	<u>12,842</u>
Notes Payable (232) -----			
Customer Deposits (235) -----			
Accrued Taxes (236) -----		<u>9,199</u>	<u>8,678</u>
Other Liabilities (Specify) -----			
INTERCOMPANY PAYABLES -----		<u>0</u>	<u>-30,243</u>
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8	<u>63,315</u>	<u>64,799</u>
Total Liabilities and Capital -----		\$ <u>442,021</u>	\$ <u>474,704</u>

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT DECEMBER 31, 2002

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service -----	\$ <u>235,325</u>	\$ <u>703,270</u>	\$ <u>N/A</u>	\$ <u>938,595</u>
Construction Work in -----	_____	_____	_____	_____
Other (Specify) ----- _____ _____	_____	_____	_____	_____
Total Utility Plant -----	\$ <u>235,325</u>	\$ <u>703,270</u>	\$ <u>N/A</u>	\$ <u>938,595</u>

ACCUMULATED DEPRECIATION (A/D) AND AMORTIZATION OF UTILITY PLANT

Account 108	Water	Wastewater	Other Than Reporting Systems	Total
Balance First of Year -----	\$ <u>111,767</u>	\$ <u>381,544</u>	\$ <u>N/A</u>	\$ <u>493,311</u>
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account -----	\$ <u>9,541</u>	\$ <u>31,766</u>	\$ _____	\$ <u>41,307</u>
Salvage -----	_____	_____	_____	_____
Other Credits (specify) ----- _____	_____	_____	_____	_____
Total Credits -----	\$ <u>121,308</u>	\$ <u>413,310</u>	\$ _____	\$ <u>534,618</u>
<u>Deduct Debits During Year:</u>				
Book cost of plant retired -----	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal -----	_____	_____	_____	_____
Other debits (specify) ----- _____	_____	_____	_____	_____
Total Debits -----	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year -----	\$ <u>121,308</u>	\$ <u>413,310</u>	\$ <u>N/A</u>	\$ <u>534,618</u>

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT DECEMBER 31, 2002
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CAPITAL STOCK (201 - 204)

N/A

	Common Stock	Preferred Stock
Par or stated value per share _____	_____	_____
Shares authorized _____	_____	_____
Shares issued and outstanding _____	_____	_____
Total par value of stock issued _____	_____	_____
Dividends declared per share for year _____	_____	_____

RETAINED EARNINGS (215)

N/A

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ _____
Changes during the year (Specify): _____ _____	_____	_____
Balance end of year _____	\$ _____	\$ _____

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
Balance first of year _____	\$ 418,628	\$ _____
Changes during the year (Specify): CURRENT YEAR PROFIT _____ _____	-60,018	_____
Balance end of year _____	\$ 358,610	\$ _____

LONG TERM DEBT (224)

N/A

Description of Obligation (Including Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
_____	_____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
Total _____			\$ _____

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT DECEMBER 31, 2002

TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
Income Taxes:				
Federal income tax _____	\$ _____	\$ _____	\$ N/A	\$ _____
State income Tax _____	_____	_____	_____	_____
Taxes Other Than Income: _____	_____	_____	_____	_____
State ad valorem tax _____	_____	_____	_____	_____
Local property tax _____	_____	_____	_____	_____
Regulatory assessment fee _____	3,620	5,579	_____	9,199
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Taxes Accrued _____	\$ 3,620	\$ 5,579	\$ _____	\$ 9,199

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

Name of Recipient	Water Amount	Wastewater Amount	Description of Service
<u>ADVANCED ENVIRONMENTAL</u>	\$ <u>922</u>	\$ _____	<u>WATER TESTING</u>
<u>AURTHUR H. PRICE SEPTIC</u>	\$ _____	\$ <u>600</u>	<u>SEPTIC SERVICE</u>
<u>FREEDMAN LAW FIRM</u>	\$ <u>735</u>	\$ <u>735</u>	<u>LEGAL SERVICE</u>
<u>FLA CHEM LABS</u>	\$ <u>2,048</u>	\$ _____	<u>CHEMICALS & CONTRACT SRV</u>
<u>TRAVIS FROST</u>	\$ <u>3,900</u>	\$ _____	<u>CONTRACT SERVICE</u>
<u>PARADISE LAKES INC</u>	\$ <u>21,856</u>	\$ <u>32783</u>	<u>MANAGEMENT</u>
<u>WIRGES & MEEKER, LC</u>	\$ <u>1,675</u>	\$ <u>1675</u>	<u>ACCOUNTING</u>
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____
_____	\$ _____	\$ _____	_____

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT DECEMBER 31, 2002

CONTRIBUTIONS IN AID OF CONSTRUCTION (271)

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year _____	\$ <u>27,600</u>	\$ <u>55,920</u>	\$ <u>83,520</u>
2) Add credits during year _____	\$ _____	\$ _____	\$ _____
3) Total _____	_____	_____	_____
4) Deduct charges during the year _____	_____	_____	_____
5) Balance end of year _____	<u>27,600</u>	<u>55,920</u>	<u>83,520</u>
6) Less Accumulated Amortization _____	<u>8,273</u>	<u>11,932</u>	<u>20,205</u>
7) Net CIAC _____	\$ <u>19,327</u>	\$ <u>43,988</u>	\$ <u>63,315</u>

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS)

Report below all developers or contractors agreements from which cash or property was received during the year.		Indicate "Cash" or "Property"	Water	Wastewater
N/A		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
Sub-total _____		_____	\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.			Water	Wastewater
Description of Charge	Number of Connections	Charge per Connection		
NONE	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.) _____			\$ _____	\$ _____

ACCUMULATED AMORTIZATION OF CIAC (272)

	Water	Wastewater	Total
Balance First of Year _____	\$ <u>7,613</u>	\$ <u>11,108</u>	\$ <u>18,721</u>
Add Credits During Year: _____	_____	_____	_____
Deduct Debits During Year: _____	<u>660</u>	<u>824</u>	<u>1,484</u>
Balance End of Year (Must agree with line #6 above.)	\$ <u>8,273</u>	\$ <u>11,932</u>	\$ <u>20,205</u>

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT DECEMBER 31, 2002

SCHEDULE "A"

N/A

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1)

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	100.00 %		_____ %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate:	_____ %
Commission Order Number approving AFUDC rate:	_____

**WATER
OPERATING
SECTION**

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT DECEMBER 31, 2002

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization	\$ 2,353	\$	\$	\$ 2,353
302	Franchises				
303	Land and Land Rights	7,800			7,800
304	Structures and Improvements	2,242			2,242
305	Collecting and Impounding Reservoirs				0
306	Lake, River and Other Intakes				0
307	Wells and Springs	7,076			7,076
308	Infiltration Galleries and Tunnels				0
309	Supply Mains	73,851			73,851
310	Power Generation Equipment	1,943			1,943
311	Pumping Equipment	21,244			21,244
320	Water Treatment Equipment	49,424			49,424
330	Distribution Reservoirs and Standpipes	7,955			7,955
331	Transmission and Distribution Lines	32,804			32,804
333	Services	8,327			8,327
334	Meters and Meter Installations	19,643			19,643
335	Hydrants				0
336	Backflow Prevention Devices				0
339	Other Plant and Miscellaneous Equipment				0
340	Office Furniture and Equipment				0
341	Transportation Equipment				0
342	Stores Equipment				0
343	Tools, Shop and Garage Equipment				0
344	Laboratory Equipment	131			131
345	Power Operated Equipment	532			532
346	Communication Equipment				0
347	Miscellaneous Equipment				0
348	Other Tangible Plant				0
	Total Water Plant	\$ 235,325	\$ 0	\$	\$ 235,325

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT
DECEMBER 31, 2002

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
301	Organization	40		2.50 %	\$ 1,243		\$ 59	\$ 1,302
304	Structures and Improvements	28		3.57 %	\$ 1,527		\$ 80	\$ 1,607
305	Collecting and Impounding Reservoirs							
306	Lake, River and Other Intakes							
307	Wells and Springs	27		3.70 %	4,950		262	5,212
308	Infiltration Galleries & Tunnels							
309	Supply Mains	32		3.13 %	40,979		2,312	43,291
310	Power Generating Equipment	17		5.88 %	1,943		114	2,057
311	Pumping Equipment	17		5.88 %	12,724		1,249	13,973
320	Water Treatment Equipment	17		5.88 %	24,493		2,906	27,399
330	Distribution Reservoirs & Standpipes	33		3.03 %	4,803		241	5,044
331	Trans. & Dist. Mains	38		2.63 %	10,758		863	11,621
333	Services	35		2.86 %	3,780		238	4,018
334	Meter & Meter Installations	17		5.88 %	4,403		1,155	5,558
335	Hydrants							
336	Backflow Prevention Devices							
339	Other Plant and Miscellaneous Equipment							
340	Office Furniture and Equipment							
341	Transportation Equipment							
342	Stores Equipment							
343	Tools, Shop and Garage Equipment							
344	Laboratory Equipment	15		6.67 %	109		9	118
345	Power Operated Equipment	10		10.00 %	55		53	108
346	Communication Equipment							
347	Miscellaneous Equipment							
348	Other Tangible Plant							
	Totals				\$ 111,767	\$	\$ 9,541	\$ 121,308 *

* This amount should tie to Sheet F-5.

W-2

completed

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees _____	\$ _____
603	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	_____
604	Employee Pensions and Benefits _____	_____
610	Purchased Water _____	_____
615	Purchased Power _____	<u>2,093</u>
616	Fuel for Power Production _____	_____
618	Chemicals _____	<u>1,024</u>
620	Materials and Supplies _____	<u>86</u>
630	Contractual Services:	
	Billing _____	_____
	Professional _____	<u>2,410</u>
	Testing _____	<u>922</u>
	Other _____	<u>45,920</u>
640	Rents _____	_____
650	Transportation Expense _____	_____
655	Insurance Expense _____	<u>2,500</u>
665	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	_____
670	Bad Debt Expense _____	_____
675	Miscellaneous Expenses _____	<u>784</u>
	Total Water Operation And Maintenance Expense _____	\$ <u>55,739</u> *

* This amount should tie to Sheet F-3.

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
5/8"	D	1.0	<u>59</u>	<u>59</u>	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	<u>60</u>	<u>60</u>	_____
1 1/2"	D,T	5.0	_____	_____	_____
General Service					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	_____	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
2"	D,C,T	8.0	_____	_____	_____
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
Unmetered Customers Other (Specify)	_____	_____	<u>220</u>	<u>220</u>	_____
** D = Displacement C = Compound T = Turbine			<u>339</u>	<u>339</u>	_____
Total			<u>339</u>	<u>339</u>	_____

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT DECEMBER 31, 2002

SYSTEM NAME: _____

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January_____	_____	2241	_____	_____	_____
February_____	_____	2016	_____	_____	_____
March_____	_____	2185	_____	_____	_____
April_____	_____	2325	_____	_____	_____
May_____	_____	2566	_____	_____	_____
June_____	_____	2086	_____	_____	_____
July_____	_____	1804	_____	_____	_____
August_____	_____	1917	_____	_____	_____
September_____	_____	1903	_____	_____	_____
October_____	_____	2439	_____	_____	_____
November_____	_____	1804	_____	_____	_____
December_____	_____	1917	10	_____	_____
Total for Year_____	_____	25203	10	_____	_____

If water is purchased for resale, indicate the following:
 Vendor _____
 Point of delivery _____

If water is sold to other water utilities for redistribution, list names of such utilities below:

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	2"	UNK	_____	_____	UNK
PVC	3"	939	_____	_____	939
PVC	4"	1600	_____	_____	1600
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT DECEMBER 31, 2002
--

SYSTEM NAME: _____

WELLS AND WELL PUMPS

(a)	(b)	(c)	(d)	(e)
Year Constructed _____	<u>1991</u>	<u>1985</u>	_____	_____
Types of Well Construction and Casing _____	<u>STEEL CASED</u>	<u>STEEL CASED</u>	_____	_____
Depth of Wells _____	<u>450'</u>	_____	_____	_____
Diameters of Wells _____	<u>6"</u>	_____	_____	_____
Pump - GPM _____	<u>300"</u>	_____	_____	_____
Motor - HP _____	<u>20"</u>	_____	_____	_____
Motor Type * _____	<u>76,100</u>	_____	_____	_____
Yields of Wells in GPD _____	_____	_____	_____	_____
Auxiliary Power _____	<u>L.P. GENERATOR</u>	_____	_____	_____

* Submersible, centrifugal, etc.

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete) _____	<u>HYDRA PNEUMATIC</u>	_____	_____	_____
Capacity of Tank _____	<u>STEEL</u>	_____	_____	_____
Ground or Elevated _____	<u>10,000 GAL</u>	_____	_____	_____
	<u>ELEVATED</u>	_____	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
<u>Motors</u>				
Manufacturer _____	<u>UNK</u>	_____	_____	_____
Type _____	<u>UNK</u>	_____	_____	_____
Rated Horsepower _____	<u>20 HP</u>	_____	_____	_____
<u>Pumps</u>				
Manufacturer _____	<u>PEERLESS</u>	_____	_____	_____
Type _____	<u>TURBINE</u>	_____	_____	_____
Capacity in GPM _____	<u>300 GPM</u>	_____	_____	_____
Average Number of Hours Operated Per Day _____	<u>3-4</u>	_____	_____	_____
Auxiliary Power _____	<u>L.P. GENERATOR</u>	_____	_____	_____

UTILITY NAME:

PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT DECEMBER 31, 2002
--

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Permitted Gals. per day_____	<u>GROUND</u>	_____	_____
Type of Source_____	_____	_____	_____

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type_____	<u>UNK</u>	_____	_____
Make_____	<u>UNK</u>	_____	_____
Permitted Capacity (GPD)_____	<u>110,000</u>	_____	_____
High service pumping		_____	_____
Gallons per minute_____	<u>350</u>	_____	_____
Reverse Osmosis_____	<u>NO</u>	_____	_____
Lime Treatment		_____	_____
Unit Rating_____	<u>NO</u>	_____	_____
Filtration		_____	_____
Pressure Sq. Ft._____	<u>NO</u>	_____	_____
Gravity GPD/Sq.Ft._____	<u>NO</u>	_____	_____
Disinfection		_____	_____
Chlorinator_____	<u>CHLORINE GAS</u>	_____	_____
Ozone_____	<u>NO</u>	_____	_____
Other_____	<u>NO</u>	_____	_____
Auxiliary Power_____	<u>L.P. GENERATOR</u>	_____	_____

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT
DECEMBER 31, 2002

SYSTEM NAME: _____

GENERAL WATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present ERC's * the system can efficiently served. 339
2. Maximum number of ERCs * which can be served. 339
3. Present system connection capacity (in ERCs *) using exist 339
4. Future connection capacity (in ERCs *) upon service area 71
5. Estimated annual increase in ERCs *. 71
6. Is the utility required to have fire flow capacity? NO
If so, how much capacity is required? _____
7. Attach a description of the fire fighting facilities 1 Diesel engine water pump and 1 gas powered waterpump serving 6 fire hydrants
8. Describe any plans and estimated completion dates for any enlargements or improvements of this system.

9. When did the company last file a capacity analysis report with the DEP? N/A
10. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____ N/A
 - c. When will construction begin? _____ N/A
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____ N/A
11. Department of Environmental Protection ID # _____ 651-4545
12. Water Management District Consumptive Use Permit # _____ N/A
 - a. Is the system in compliance with the requirements of the CUP? _____ N/A
 - b. If not, what are the utility's plans to gain compliance? _____ N/A_____

* An ERC is determined based on one of the following methods:
(a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.
(b) If no historical flow data are available use:
ERC = (Total SFR gallons sold (omit 000/365 days/350 gallons per day).

**WASTEWATER
OPERATING
SECTION**

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

<p>YEAR OF REPORT DECEMBER 31, 2002</p>

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization _____	\$ 2,403	\$ _____	\$ _____	\$ 2,403
352	Franchises _____	_____	_____	_____	_____
353	Land and Land Rights _____	36,000	_____	_____	36,000
354	Structures and Improvements _____	183,145	_____	_____	183,145
355	Power Generation Equipment _____	_____	_____	_____	_____
360	Collection Sewers - Force _____	31,805	_____	_____	31,805
361	Collection Sewers - Gravity _____	96,593	_____	_____	96,593
362	Special Collecting Structures _____	_____	_____	_____	_____
363	Services to Customers _____	13,200	_____	_____	13,200
364	Flow Measuring Devices _____	_____	_____	_____	_____
365	Flow Measuring Installations _____	_____	_____	_____	_____
370	Receiving Wells _____	2,854	_____	_____	2,854
371	Pumping Equipment _____	_____	_____	_____	_____
380	Treatment and Disposal Equipment _____	289,372	_____	_____	289,372
381	Plant Sewers _____	45,326	_____	_____	45,326
382	Outfall Sewer Lines _____	1,620	_____	_____	1,620
389	Other Plant and Miscellaneous Equipment _____	330	_____	_____	330
390	Office Furniture and Equipment _____	_____	_____	_____	_____
391	Transportation Equipment _____	_____	_____	_____	_____
392	Stores Equipment _____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment _____	_____	_____	_____	_____
394	Laboratory Equipment _____	_____	_____	_____	_____
395	Power Operated Equipment _____	_____	_____	_____	_____
396	Communication Equipment _____	_____	_____	_____	_____
397	Miscellaneous Equipment _____	_____	_____	_____	_____
398	Other Tangible Plant _____	622	_____	_____	622
	Total Wastewater Plant _____	\$ 703,270	\$ 0	\$ 0	\$ 703,270 *

* This amount should tie to sheet F-5.

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT
DECEMBER 31, 2002

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
351	Organization	40	%	2.50 %	\$ 1,164	\$	\$ 60	\$ 1,224
354	Structures and Improvements	27	%	3.70 %	\$ 48,362	\$	\$ 6,776	\$ 55,138
355	Power Generation Equipment		%					
360	Collection Sewers - Force	27	%	3.70 %	19,451		1,177	20,628
361	Collection Sewers - Gravity	40	%	2.50 %	40,707		2,415	43,122
362	Special Collecting Structures		%					
363	Services to Customers	35	%	2.86 %	7,073		378	7,451
364	Flow Measuring Devices		%					
365	Flow Measuring Installations		%					
370	Receiving Wells	15	%	6.67 %	489		190	679
371	Pumping Equipment		%					
380	Treatment and Disposal Equipment		%					
381	Plant Sewers	15	%	6.67 %	237,101		19,301	256,402
382	Outfall Sewer Lines	32	%	3.13 %	25,268		1,419	26,687
389	Other Plant and Miscellaneous Equipment	30	%	3.33 %	977		51	1,028
390	Office Furniture and Equipment	15	%	6.67 %	330			330
391	Transportation Equipment		%					
392	Stores Equipment		%					
393	Tools, Shop and Garage Equipment		%					
394	Laboratory Equipment		%					
395	Power Operated Equipment		%					
396	Communication Equipment		%					
397	Miscellaneous Equipment		%					
398	Other Tangible Plant	10	%	10.00 %	622			622
	Totals				\$ 381,544	\$	\$ 31,766	\$ 413,310 *

* This amount should tie to Sheet F-5.

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT
DECEMBER 31, 2002

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees _____	\$ _____
703	Salaries and Wages - Officers, Directors, and Majority Stockholders _____	_____
704	Employee Pensions and Benefits _____	_____
710	Purchased Wastewater Treatment _____	66,090
711	Sludge Removal Expense _____	600
715	Purchased Power _____	2,093
716	Fuel for Power Production _____	_____
718	Chemicals _____	1,024
720	Materials and Supplies _____	_____
730	Contractual Services:	
	Billing _____	_____
	Professional _____	2,469
	Testing _____	_____
	Other _____	9,170
740	Rents _____	_____
750	Transportation Expense _____	_____
755	Insurance Expense _____	2,500
765	Regulatory Commission Expenses (Amortized Rate Case Expense) _____	_____
770	Bad Debt Expense _____	_____
775	Miscellaneous Expenses _____	1,567
	Total Wastewater Operation And Maintenance Expense _____	\$ 85,513 *

ok
ok
ok
ok
ok

* This amount should tie to Sheet F-3.

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Equivalent Customers (c x e) (f)
			Start of Year (d)	End of Year (e)	
Residential Service					
All meter sizes	D	1.0	59	_____	_____
General Service					
5/8"	D	1.0	_____	_____	_____
3/4"	D	1.5	_____	_____	_____
1"	D	2.5	60	_____	_____
1 1/2"	D,T	5.0	_____	_____	_____
2"	D,C,T	8.0	_____	_____	_____
3"	D	15.0	_____	_____	_____
3"	C	16.0	_____	_____	_____
3"	T	17.5	_____	_____	_____
Unmetered Customers Other (Specify)	_____	_____	220	_____	_____
Total			339	_____	_____

** D = Displacement
C = Compound
T = Turbine

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT DECEMBER 31, 2002
--

PUMPING EQUIPMENT

Lift Station Number_____	<u>1</u>	<u>1</u>	<u>2</u>	<u>2</u>	_____	_____
Make or Type and nameplate data on pump_____	<u>ZOELLER</u>	<u>ZOELLER</u>	<u>ZOELLER</u>	<u>ZOELLER</u>	_____	_____
Year installed_____	<u>1997</u>	<u>1997</u>	<u>1997</u>	<u>1997</u>	_____	_____
Rated capacity_____	_____	_____	_____	_____	_____	_____
Size_____	<u>25 HP</u>	<u>25 HP</u>	<u>5 HP</u>	<u>5 HP</u>	_____	_____
Power:	_____	_____	_____	_____	_____	_____
Electric_____	<u>ELECT.</u>	<u>ELECT.</u>	<u>ELECT.</u>	<u>ELECT.</u>	_____	_____
Mechanical_____	_____	_____	_____	_____	_____	_____
Nameplate data of motor_____	_____	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches)_____	<u>4"</u>	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.)_____	<u>PVC</u>	_____	_____	_____	_____	_____
Average length_____	<u>30'</u>	_____	_____	_____	_____	_____
Number of active service connections_____	<u>339</u>	_____	_____	_____	_____	_____
Beginning of year_____	<u>339</u>	_____	_____	_____	_____	_____
Added during year_____	_____	_____	_____	_____	_____	_____
Retired during year_____	_____	_____	_____	_____	_____	_____
End of year_____	<u>339</u>	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections_____	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains				Force Mains			
Size (inches)_____	<u>10"</u>	<u>4"</u>	_____	_____	<u>6"</u>	_____	_____	_____
Type of main_____	_____	_____	_____	_____	<u>FORCE</u>	_____	_____	_____
Length of main (nearest foot)_____	<u>2500'</u>	<u>N/A</u>	_____	_____	<u>1342'</u>	_____	_____	_____
Beginning of year_____	<u>2500'</u>	_____	_____	_____	_____	_____	_____	_____
Added during year_____	_____	_____	_____	_____	<u>1342'</u>	_____	_____	_____
Retired during year_____	_____	_____	_____	_____	_____	_____	_____	_____
End of year_____	<u>2500'</u>	_____	_____	_____	<u>1342'</u>	_____	_____	_____

MANHOLES

Size (inches)_____	<u>3' X 3' X 21'</u>	<u>EDDP</u>	_____	_____
Type of Manhole_____	<u>CONCRETE</u>	_____	_____	_____
Number of Manholes:	_____	_____	_____	_____
Beginning of year_____	<u>14</u>	_____	_____	_____
Added during year_____	_____	_____	_____	_____
Retired during year_____	_____	_____	_____	_____
End of Year_____	<u>14</u>	_____	_____	_____

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

SYSTEM NAME: _____

YEAR OF REPORT DECEMBER 31, 2002
--

TREATMENT PLANT

Manufacturer _____ Type _____ "Steel" or "Concrete" _____ Total Permitted Capacity _____ Average Daily Flow _____ Method of Effluent Disposal _____ Permitted Capacity of Disposal _____ Total Gallons of Wastewater treated _____	_____ _____ _____ _____ _____ _____ NONE	_____ _____ _____ _____ _____ _____ _____	_____ _____ _____ _____ _____ _____ _____
--	---	---	---

MASTER LIFT STATION PUMPS

Manufacturer _____ Capacity (GPM's) _____ Motor: Manufacturer _____ Horsepower _____ Power (Electric or Mechanical) _____	ZOELLER UNK	ZOELLER UNK	_____ _____	_____ _____	_____ _____	_____ _____
	UNK 25 HP	UNK 25 HP	_____ _____	_____ _____	_____ _____	_____ _____
	ELECTRIC	ELECTRIC	_____ _____	_____ _____	_____ _____	_____ _____

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January _____	_____	_____	_____
February _____	_____	_____	_____
March _____	_____	_____	_____
April _____	_____	_____	_____
May _____	_____	_____	_____
June _____	_____	_____	_____
July _____	_____	_____	_____
August _____	_____	_____	_____
September _____	_____	_____	_____
October _____	_____	_____	_____
November _____	_____	_____	_____
December _____	_____	_____	_____
Total for year _____	NONE	_____	_____

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: PARADISE LAKES UTILITY, L.L.C.

YEAR OF REPORT
DECEMBER 31 2002

SYSTEM NAME: _____

GENERAL WASTEWATER SYSTEM INFORMATION

Furnish information below for each system. A separate page should be supplied where necessary.

1. Present number of ERCs* now being served. _____ **339**
2. Maximum number of ERCs* which can be served. _____ **339**
3. Present system connection capacity (in ERCs*) using existing lines. _____ **339**
4. Future connection capacity (in ERCs*) upon service area buildout. _____ **N/A**
5. Estimated annual increase in ERCs*. _____ **UNKNOWN**
6. Describe any plans and estimated completion dates for any enlargements or improvements of this system
N/A

7. If the utility uses reuse as a means of effluent disposal, provide a list of the reuse end users and the amount of reuse provided to each, if known.
8. If the utility does not engage in reuse, has a reuse feasibility study been completed? _____ **NO**
If so, when? _____
9. Has the utility been required by the DEP or water management district to implement reuse? _____ **NO**
If so, what are the utility's plans to comply with this requirement? _____

10. When did the company last file a capacity analysis report with the DEP? _____ **UNKNOWN**
11. If the present system does not meet the requirements of DEP rules, submit the following:
 - a. Attach a description of the plant upgrade necessary to meet the DEP rules.
 - b. Have these plans been approved by DEP? _____
 - c. When will construction begin? _____
 - d. Attach plans for funding the required upgrading.
 - e. Is this system under any Consent Order with DEP? _____
12. Department of Environmental Protection ID # _____ **UNKNOWN (NO WASTEWATER PLANT))**

* An ERC is determined based on one of the following methods:
(a) If actual flow data are available from the preceding 12 months:
Divide the total annual single family residence (SFR) gallons sold by the average number of single family residents (SFR) gallons sold by the average number of single family residence customers for the same period and divide the result by 365 days.


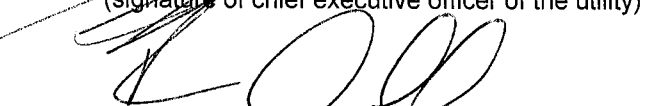
(b) If no historical flow data are available use:
ERC = (Total SFR gallons sold (omit 000/365 days/280 gallons per day).

CERTIFICATION OF ANNUAL REPORT

I HEREBY CERTIFY, to the best of my knowledge and belief:

- | | | |
|--|--------------------------------|---|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 4. The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents. |

Items Certified

1. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>	 _____ (signature of chief executive officer of the utility) *
1. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>	 _____ (signature of chief financial officer of the utility) *

* Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.